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The situation in the Middle East

Question of Palestine

Security Council
Seventy-second year

Peaceful settlement of the question of Palestine

Report of the Secretary-General**

Summary

The present report is submitted in accordance with General Assembly resolution 71/23. It contains replies received from the parties concerned to the notes verbales sent by the Secretary-General pursuant to the request contained in paragraph 25 of the resolution. The report also contains the observations of the Secretary-General on the current state of the Israeli-Palestinian conflict and on international efforts to move the peace process forward with a view to achieving a peaceful settlement of the question of Palestine. The report covers the period from September 2016 to August 2017.

* A/72/150.

** The present report was submitted late, owing to the fact that additional time was required to ensure that important developments taking place during the reporting period were adequately documented.

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I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 71/23.

2. On 1 July 2017, pursuant to the request contained in paragraph 25 of the above-mentioned resolution, I addressed the following letter to the President of the Security Council:

> "I have the honour to refer to resolution 71/23, which the General Assembly adopted on 30 November 2016, at its seventy-first session, under the agenda item 'Question of Palestine'.
>
> "Paragraph 25 of the resolution requests the Secretary-General to continue his efforts with the parties concerned, and in consultation with the Security Council, towards the attainment of a peaceful settlement of the question of Palestine and the promotion of peace in the region and to submit to the General Assembly at its seventy-second session a report on these efforts and on developments on this matter.
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> "In order to fulfil my reporting responsibilities under this resolution, I should be grateful if you would kindly convey to me the views of the Security Council by 31 July 2017.
>
> "Recalling the Secretariat's obligation to observe the page limit of its reports, pursuant to General Assembly resolution 52/214, I would like to encourage the Security Council to limit its submission to 1,500 words."

3. As at 23 August, no response had been received to that request.

4. In a note verbale dated 23 May 2017 to the parties concerned, I sought the positions of the Governments of Egypt, Israel, Jordan, Lebanon and the Syrian Arab Republic, as well as the State of Palestine, regarding any steps taken by them to implement the relevant provisions of the resolution. As at 31 July 2017, replies had been received from Israel and the State of Palestine.

5. The note verbale dated 28 June 2017 from the Permanent Observer Mission of the State of Palestine to the United Nations reads as follows:

> "Resolution 71/23, 'Peaceful settlement of the question of Palestine', constitutes the General Assembly's comprehensive, authoritative stance regarding the question of Palestine and the historic efforts to achieve a just, lasting, peaceful solution. The principles affirmed therein, in conformity with international law and other relevant resolutions, constitute the pillars of a solution, and the broad support granted annually for the resolution confirms the international consensus in this regard.
>
> "On the eve of the fiftieth anniversary of Israel's occupation of Palestinian and Arab territories in 1967, the Assembly again resoundingly supported this resolution. This was a clear rejection of Israel's cynical narrative denying the occupation, while actively entrenching it by all illegal means, and obstructing the efforts to peacefully resolve the Israeli-Palestinian conflict, which remains the core of the Arab-Israeli conflict.
>
> "Upholding its political, legal and moral responsibilities, including the obligations stemming from resolution 181 (II), the Assembly has reiterated its calls for, inter alia, Israel's complete withdrawal from the Palestinian territory occupied since June 1967, including East Jerusalem; realization of the inalienable rights of the Palestinian people, primarily the right to self-determination and the right to their independent State; achievement of the two-State solution of Palestine and Israel, living side by side in peace and security

within recognized borders based on the pre-1967 borders; and a just solution for the Palestine refugee question based on resolution 194 (III).

"The Assembly's reaffirmation of the requirements for a just solution was considerably reinforced by the Security Council's adoption of resolution 2334 (2016). That resolution, pursued earnestly by the State of Palestine with conscientious Council members, reflects the international community's long-standing commitment to peace via implementation, inter alia, of the relevant Security Council resolutions, including resolutions 242 (1967), 338 (1973), 446 (1979), 452 (1979), 465 (1980), 476 (1980), 1397 (2002), 1515 (2003) and 1850 (2008), and full respect for the purposes and principles of the Charter of the United Nations, including the inadmissibility of the acquisition of territory by force.

"The Council's demands in resolution 2334 (2016) echo the Assembly's demands in resolution 71/23, underscoring the international consensus and exigency of peace efforts. This action has helped restore some credibility to the Council, which has been impaired by the failure to implement its resolutions and hold Israel, the occupying Power, accountable for its violations. It has also provided renewed hope for a solution, critical for alleviating the despair of Palestine's youth and reviving belief in the possibility of a better future, free from occupation, fear and want.

"Resolution 2334 (2016) was welcomed globally. It was viewed as urgent in light of the deteriorating situation on the ground; escalation of tensions and cycles of violence; erosion of the two-State solution on the 1967 lines due to Israel's unrelenting entrenchment of the occupation and annexation attempts, mainly through settlement activities flagrantly violating international law; and lack of a political horizon to bring an end to the Israeli occupation, ensure Palestinian rights and secure a just peace.

"While the Council explicitly reiterated the demand that Israel cease all settlement activities in the Occupied Palestinian Territory, including East Jerusalem, and fully respect its legal obligations, it further underlined that it 'will not recognize any changes to the 4 June 1967 lines, including with regard to Jerusalem, other than those agreed by the parties through negotiations', and called upon all States 'to distinguish, in their relevant dealings, between the territory of the State of Israel and the territories occupied since 1967'. Palestine has consistently made these calls in its bilateral and multilateral outreach, viewing them as fundamental for salvaging the two-State solution and advancing its realization.

"Considering the obligation to protect civilians, the Council's call for cessation of all acts of violence against civilians, including acts of terror, and all acts of provocation, incitement and destruction, and for accountability, has also been widely supported.

"Also welcomed were the Council's call for the launch of credible negotiations on all final status issues and for collective efforts to promote peace, 'aimed at achieving, without delay, a comprehensive, just and lasting peace in the Middle East on the basis of the relevant United Nations resolutions, the Madrid terms of reference, including the principle of land for peace, the Arab Peace Initiative and the Quartet road map and an end to the Israeli occupation that began in 1967'.

"The Palestinian leadership has affirmed readiness to abide by resolution 2334 (2016) in its entirety and commitment to its implementation, just as it has strived to uphold all relevant resolutions, including resolution 71/23. This

includes the commitment to non-violence and peaceful, political, diplomatic, legal means for attainment of Palestinian rights and a just, lasting solution and cooperation with all international and regional efforts to this end.

"Israel, on the other hand, reacted with blatant hostility and contempt towards the Security Council following the resolution's adoption, publicly declaring its disrespect of the Council's authoritative decisions and demands. The Israeli Government proceeded to violate the resolution aggressively in the months thereafter with advancement of plans for construction of thousands more settlement units across the Occupied Palestinian Territory, including East Jerusalem; continuation of virulent rhetoric and incitement against the Palestinian people and leadership; and continued complicity in and lack of accountability for the violence, terror and crimes committed by its settlers and soldiers against Palestinian civilians.

"Yet, despite Israel's violations — whether in times of peace process or political stalemate — the Palestinian leadership has adhered to the peace path. For nearly 30 years, Palestine's position has mirrored the global consensus on the two-State solution. This began with the Palestine National Council's acceptance of the solution in the 1988 Declaration of Independence, a major compromise agreeing to establish the Palestinian State on only 22 per cent of our historic homeland, for the sake of realizing Palestinian rights, including to independence, and establishing a just peace. This compromise remains the primary testament to our commitment to peace and, with the 2002 Arab Peace Initiative, represents the boldest contribution towards solving the conflict and should be recognized as such.

"Commitment to this compromise has been clearly affirmed, including at the highest levels by President Mahmoud Abbas and the Executive Committee of the Palestine Liberation Organization. Moreover, it has been bolstered by repeated pledges to peacefully resolve the conflict, in accordance with the Charter and the relevant United Nations resolutions, as confirmed, inter alia, in the 28 September 2011 application by the State of Palestine for admission to United Nations membership, and with international law, as reflected in Palestine's accession to numerous international treaties and conventions.

"It has also been the mainstay of Palestine's regional and international engagement, through every peace initiative and United Nations endeavour and all other multilateral and bilateral engagement, including as reflected in the relevant declarations by the League of Arab States, the Non-Aligned Movement, the Organization of Islamic Cooperation and the Group of 77, and in diplomatic and cooperation agreements concluded with many States that have recognized Palestine.

"In the period since the adoption of resolution 71/23, this commitment has been borne out in the Palestinian leadership's cooperation with, inter alia, the French initiative, including in regard to the Paris Peace Conference on 15 January 2017; efforts by the new United States administration of President Donald J. Trump to advance peace, including affirmation of readiness to engage in negotiations; efforts by the Quartet members, collectively and individually, as reflected in the series of meetings held by President Abbas and other high-level Palestinian officials in Brussels, Moscow, Washington, Cairo and Riyadh, among others; and Arab States' efforts, including reaffirmation of the Arab Peace Initiative by the Arab Summit Conference in Jordan in March 2017.

"It should be considered extraordinary that this commitment to a peaceful path has endured despite continuous exacerbation of the injustice

inflicted on the Palestinian people by the decision to partition Mandate Palestine by resolution 181 (II) in 1947 and the ensuing tragedy of the 1948 Nakba through 50 years of Israel's foreign occupation since 1967. The consequences have been grave for our people, who have withstood incessant human rights violations, violence and terror, and war crimes under this half-century occupation, in breach of international law, including humanitarian and human rights law, relevant United Nations resolutions, the relevant provisions of the Rome Statute, and the 2004 advisory opinion of the International Court of Justice.

"The reality is that Israel's occupation has only subsisted — and can only subsist — on violations. It is illegal in every dimension and manifestation, causing immeasurable suffering, indignity and insecurity for the Palestinian people, amounting to a constant protection crisis.

"These violations include, inter alia: military raids by the occupying forces causing Palestinian civilian casualties, including loss of life; arbitrary arrest and detention operations and imprisonment of 6,500 Palestinians, including children and women, who are routinely exposed to physical and psychological abuse and torture, with the male population most severely affected; restrictions on movement and other fundamental freedoms, including to worship, education, health care, development and water; and imposition of a 10-year blockade on Gaza, isolating and collectively punishing the 2 million Palestinians there. Such actions constitute grave breaches of the Geneva Convention relative to the Protection of Civilian Persons in Time of War and are compounding dire humanitarian and socioeconomic conditions, which, the United Nations country team has determined, will lead to Gaza being uninhabitable by 2020 if the situation is not immediately remedied.

"Also severely affecting the civilian population's well-being, as well as the contiguity and unity of the Palestinian land and the chances for realizing the two-State solution on the 1967 lines, are the violations committed in the context of Israel's unlawful colonization campaign through its construction and expansion of colonial settlements, the wall and military infrastructure in the West Bank, including East Jerusalem. This has also involved countless military orders, so-called 'legislative schemes' and other illegal practices aimed at facilitating settlement activities, including confiscation of land, demolition of homes and structures, forced displacement of civilians and exploitation of natural resources, altering the demographic and geographic situation on the ground and dragging us ever closer to a one-State reality of apartheid.

"Israeli incitement and inflammatory rhetoric on Jerusalem and provocations and violence by Jewish extremists against Muslim and Christian holy sites, particularly targeting the Haram al-Sharif, also continue to stoke sensitivities and threaten to trigger a religious conflict. Such violations are being perpetrated jointly and non-stop by the Government of Israel, the occupying Power, its military occupying forces and extremist settlers.

"Against this backdrop, Palestine's contribution to the implementation of relevant resolutions and the objective of peace and stability must also be measured by all that the Palestinian Government and national institutions have done over the decades to mitigate the occupation's devastating consequences and preserve peace prospects. Confronted by perpetual decline of the humanitarian, socioeconomic and security situation, we have exerted all efforts to alleviate our people's suffering, allay tensions, ensure calm and security, promote reconciliation and give hope to our people that a better

future is within reach and that not another generation will have to suffer the fate of occupation, oppression, dispossession and exile that their forefathers have borne. Such hope is vital for pushing against the radicalism and extremism plaguing the region, especially among youth.

"While unusual in a situation of occupation — perhaps unprecedented — we have pursued these objectives continuously in every sector, as reflected in the priorities set in successive Palestinian National Development Plans presented by Prime Minister Rami Hamdallah and preceding Governments, and also in the United Nations Development Assistance Framework. The programmes of United Nations agencies, with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) at the forefront, along with the Office for the Coordination of Humanitarian Affairs, the United Nations Children's Fund, the United Nations Development Programme, the Office of the United Nations Special Coordinator for the Middle East Peace Process, the United Nations Entity for Gender Equality and the Empowerment of Women and numerous other organizations, have been instrumental in this regard, as have been the assistance and solidarity extended to Palestine by concerned States from every corner of the globe.

"Such support has been exemplary in the case of UNRWA, which has received generous voluntary funding from donor countries since its establishment in 1949. As of this note's writing, efforts continue with stakeholders and partners, including host countries, to foster more predictable, sufficient and sustained support to UNRWA to effectively implement its mandate. This support is vital for over 5.3 million Palestine refugees registered with UNRWA, millions of whom still live in 58 camps in Jordan, Lebanon, Syria and Occupied Palestine. These efforts recognize the indispensability of the humanitarian and development aid of UNWRA; its critical stabilizing role in the region; the commitment made in the New York Declaration for Refugees and Migrants to ensure sufficient funding to the Agency; and the fact that for millions of refugees, UNRWA is the only lifeline, pending a just solution. Our engagement on this also constitutes a substantial contribution to the peace we seek.

"While our efforts and international support have been constant, what remains absent is the political will to implement the relevant Security Council and General Assembly resolutions, imperative for achievement of a peaceful settlement. Despite all good-faith intentions, the international community continues to fail to fulfil its legal, political and moral obligations in the face of Israel's total disrespect for the law. This failure is even more striking in this fiftieth year of Israel's occupation, with no viable political horizon for its end.

"The cycle of Israeli impunity and lack of accountability continue to thwart peace efforts, deepening the political impasse. Since Israel's suspension of American-led peace talks in 2014, insufficient pressure has been exerted on the Israeli Government to cease its violations and destruction of the two-State solution. Even after the Council's adoption of resolution 2334 (2016), there has been no meaningful effort to compel Israeli compliance; rather, it continues its violation without consequence.

"As called for in resolution 2334 (2016), Israel must, inter alia, demonstrate through policies and actions a genuine commitment to the two-State solution and create conditions necessary for promoting peace. It is time for Israel to cease its lip service to the two-State solution; its propaganda distorting the reality of its unlawful occupation; its incitement against the Palestinian people and leadership; and its mockery of the United Nations. Its respect for the law must be demanded without exceptions or conditions.

"Only international law can ensure that the negotiations on final status issues — Jerusalem, Palestine refugees, settlements, borders, security, prisoners and water — result in a just, sustainable peace. As reflected in the Secretary-General's agenda for the United Nations, peaceful resolution of conflicts requires a human rights perspective, a justice perspective, a development perspective, and not just a security perspective, and the root causes of the conflict must be addressed.

"In line with the permanent responsibility of the United Nations towards the question of Palestine, we appeal again for serious efforts to implement the relevant resolutions towards realizing Palestinian rights, including of the Palestine refugees; ending the Israeli occupation that began in 1967 and finally achieving the independence of the State of Palestine, with East Jerusalem as its capital; and establishing lasting peace, security and coexistence between the Palestinian and Israeli peoples on the basis of the two-State solution on the 1967 lines. The Palestinian leadership reaffirms its commitment to a peaceful and just solution, and likewise urges the international community to uphold its obligations and commitments."

6. The note verbale dated 31 July 2017 from the Permanent Mission of Israel to the United Nations reads as follows:

"Over the course of the past year, the wave of deadly terror attacks against the people of Israel has continued unabated. One of the most recent such attacks took place on 21 July, when a Palestinian terrorist infiltrated the home of the Solomon family in Chalamish and slaughtered three members of the family as they sat together for the traditional Friday night Sabbath meal. This heinous crime was preceded, just a week before, by the killing of two Israeli policemen on the Temple Mount by terrorists who took advantage of Israel's policy of open entry to the Temple Mount, smuggling in weapons and hiding them in the Holy Compound. Using the compound as a staging ground, they attacked and killed the two police officers, desecrating the holy site and turning it into an arena of bloodshed and terror.

"It must be clear that such appalling terrorist attacks do not occur in a vacuum. They are a result of the constant Palestinian incitement to violence and glorification of terror, which are fundamentally incompatible with advancing peace. The incitement starts from the top: Palestinian Authority President Mahmoud Abbas has publicly endorsed the payment of salaries to convicted terrorists and their families. As part of this incessant incitement to terror, public spaces are regularly named after mass murderers. To name but one timely example, in the West Bank town of Burqa, a youth centre for women was recently named after Dalal Mughrabi, the Palestinian terrorist who, in 1978, led a group of terrorists who hijacked a civilian bus and killed 37 Israelis, including 12 children.

"A clear and unequivocal message must be delivered to the Palestinian leadership: stop encouraging terrorism, stop hate speech and stop educating children to hate. Above all, they must stop offering cash rewards and publicly honouring those who commit acts of terrorism. Such glorification of violence against innocent people and adulation of those who commit these horrific acts are utterly incompatible with the commitment to coexistence and peaceful relations with Israel, which must be at the foundation of a future Palestinian State.

"Israel also believes that a sound and developing Palestinian economy is a prerequisite for stability and security and, as such, is an Israeli interest as well. Despite the ongoing Palestinian violence, Israel is moving ahead with

steps to improve the Palestinian economic situation and the standard of living of the Palestinian population. In this context, the first commercial agreement between the Israel Electric Corporation and the Palestinian Authority was reached recently (10 July 2017) to increase the supply of electricity to Jenin in northern Samaria, to ensure a sufficient supply for the summer months and the entire year.

"Furthermore, on 13 July 2017, it was announced that Israel, Jordan and the Palestinian Authority, through the facilitation of the United States, have reached an agreement, as part of the Red Sea-Dead Sea project, on a large water infrastructure project which will provide billions of gallons of additional water supply for each of the three parties.

"Under the agreement, it is expected that the Palestinian Authority will be able to purchase up to 32 million cubic metres of fresh water from Israel at preferential prices, substantially increasing the amount of water provided to the West Bank and the Gaza Strip.

"At the same time, Israel is continuing its dialogue with the Palestinian Authority on economic issues. At the end of May, Israeli Finance Minister Moshe Kahlon met with Palestinian Authority Prime Minister Rami Hamdallah in Ramallah, to brief him on recent steps decided upon by the Israeli Cabinet to improve the economic situation in the Palestinian Authority. Furthermore, the bilateral dialogue between the respective Ministries of Finance has been resumed at the level of Director General of Ministry of Finance.

"In Gaza, Israel is facing a more complex and challenging security and political environment than ever, but is nonetheless undertaking extensive efforts to improve the humanitarian and economic conditions of the people of Gaza, while striving to safeguard the basic and legitimate security needs of Israeli citizens.

"Israel has been continuing to facilitate the reconstruction of Gaza through the Gaza Reconstruction Mechanism. Since October 2014, the joint mechanism with the Palestinian Authority and the United Nations has enabled the entry of over 8.2 million tons of various types of construction materials into the Gaza Strip. As of January of this year, 102,331 damaged housing units had been renovated, out of a total of 130,000. More than 11,500 new housing units are in advanced stages of construction, while hundreds are ready for occupancy. Hundreds of public projects, including schools, clinics, mosques and parks, have been completed or are near completion.

"The past year also witnessed an increase of exports from Gaza to the West Bank, Israel and abroad. It is important to note that, last March alone, 372 loads of marketed goods were carried by truck from Gaza, a record total since Hamas took over more than a decade ago. In addition, an aggregate conveyor is currently being built in the Kerem Shalom crossing and is expected to become operational soon. The conveyor is expected to substantially increase the capacity to export goods from the Gaza Strip.

"Unfortunately, alongside these positive developments, the terror organization Hamas continues to steal and confiscate building materials intended for the reconstruction of Gaza and the humanitarian development needs of its residents, and repurpose them for their own military objectives: for the digging and construction of terror tunnels, rearmament and rocket manufacturing. Israel will not tolerate this abuse of the Gaza Reconstruction Mechanism or other attempts by Hamas to bolster its terror infrastructure.

"In parallel, there has also been an alarming increase in the number of attempts to smuggle prohibited goods into the Gaza Strip during 2016, including small unmanned aerial vehicles, lasers and military uniforms. During the past year, Israeli security forces thwarted 1,226 such attempts, which constitutes a 165 per cent increase in comparison with 2015.

"The Gaza Strip is suffering from a chronic and acute shortage of energy. The electricity crisis in the Strip is a matter of an internal dispute between the Palestinian Authority and Hamas. Since Hamas's takeover of the Gaza strip in 2007, the Palestinian Authority has been paying the cost of electricity for the Gaza Strip. This year, the Palestinian Authority announced its refusal to continue to make the necessary payments.

"In order to meet all of Gaza's electricity needs, a constant supply of 400 MW is required. Supply from Egypt accounts for 25 MW (6.25 per cent). The power station in Gaza has the capacity to supply 120 MW (about 30 per cent); prior to stopping payment completely, the Palestinian Authority usually purchased only enough fuel to supply 60 MW (about 15 per cent of demand). The Palestinian Authority has been paying Israel for providing for approximately one third of the Gaza Strip's electricity demand (approximately 125 MW). As per the agreement with the Palestinian Authority, this sum of money is deducted from tax revenues that Israel collects for the Palestinian Authority.

"Due to the current dispute between Hamas and the Palestinian Authority, the latter has stopped purchasing fuel for the Gaza power station. Therefore, the power station is not producing electricity.

"Furthermore, on April 30, the Palestinian Authority announced that, as of May 22, 2017, it would reduce its payments to Israel for electricity to the Gaza Strip from approximately $11.4 million a month to approximately $7.1 million.

"It must also be emphasized that the reason Hamas refuses to pay its own electricity bill is not for lack of money. Hamas prefers to budget its financial resources to enhance terrorism and terror capabilities, rather than civilian infrastructure that would benefit Gaza residents, such as a steady supply of electricity. Unless and until the Palestinian Authority and Hamas change their policy, significant power shortages are expected to continue, and Gaza's residents will continue to pay the price of the feud between Hamas and the Palestinian Authority.

"Israel is not interested in any escalation of the situation in the Gaza Strip and is making every effort to prevent deterioration in the daily lives of Gaza's residents.

"In addition, Israel is also undertaking efforts to improve the economic situation in the West Bank. Last year, there was a significant increase in the number of truckloads crossing to and from Jordan via the Allenby Bridge. Over 49,000 truckloads filled with goods crossed the bridge — an increase of over 22 per cent compared with 2015.

"The number of people crossing the bridge, the primary crossing point for Palestinians, also set a new record in 2016 at over 2.2 million, most of them Palestinian civilians — an increase of more than 10 per cent compared with 2015.

"As part of the effort to ease access for the Palestinian population, Israel decided to expand the operating hours of the Allenby Bridge. As of 20 June

and through 10 September, the bridge will be open for crossing 24 hours a day, and beginning in 2018, the Allenby Bridge will be open 24/7 all year round.

"The decision to expand the operating hours of the Allenby Bridge is one part of a comprehensive plan to upgrade the crossing, which includes structural improvements, upgraded parking and other measures designed to facilitate ease of travel and increase the commercial activity.

"In this context, it is also important to mention the approval of construction plans to pave roads from the Japanese industrial zone in Jericho to Highway 90 and to Allenby Bridge. The project, funded by the Japan International Cooperation Agency, will provide better access for trucks transporting products, manufactured goods and equipment from the Japanese industrial zone in order to promote trade and commerce.

"The aforementioned steps taken by the State of Israel attest to its commitment to a peaceful resolution to the conflict. Israel aspires for peace. It is our sincere hope that creating the environment for enhanced economic activity will encourage the resumption of direct negotiations, leading to the realization of the vision of two nations living side by side, in security and in peace.

"The Israeli-Palestinian conflict will be resolved only through direct bilateral negotiations without preconditions. Attempts to impose solutions or to dictate parameters and timetables will only drive peace further away. Thus, Israel utterly rejects Security Council resolution 2334 (2016). The resolution is unequivocally hostile to Israel and will only make peace harder, not easier, to achieve.

"Finally, it is imperative to reiterate, once again, Israel's right to exist as the nation State of the Jewish people, in peace, with secure borders, and our steadfast opposition to any attempt to undermine Israel's legitimacy. The Palestinian refusal to recognize Israel as a Jewish State — based, inter alia, on a continued denial of any historic Jewish connection to its land — remains one of the main obstacles to peace between Israel and the Palestinians."

II. Observations

7. International efforts to promote the peaceful settlement of the question of Palestine continued to focus on the possibility of creating a framework for the parties' return to meaningful negotiations. The Quartet principals met in New York on 23 September 2016, agreeing on the importance of close and continuing coordination of all efforts to achieve the common goal of the two-State solution and reiterating their call on the parties to implement the recommendations of the Quartet Report of 1 July 2016. Quartet envoys also released statements twice in response to heightened tensions on the ground. As they met in Jerusalem on 13 July, they expressed serious concern over the worsening humanitarian situation in Gaza. Soon after, on 22 July, in response to the heightened tensions in Jerusalem, they called on all to de-escalate the situation while upholding the status quo at the holy sites.

8. On 23 December 2016, the Security Council adopted its resolution 2334 (2016), in which it reiterated some of the key obstacles to achieving a negotiated two-State solution that had been identified in the report of the Middle East Quartet in July 2016: the continuing policy of settlement construction and expansion; continued acts of violence and terrorism; incitement to violence; and the situation in Gaza. In the resolution, the Council also called on both sides to take steps on the ground to create the conditions for successful final status negotiations.

9. On 15 January 2017, France hosted a conference in Paris at which some 70 countries and international organizations reaffirmed their support for the two-State solution and their readiness to continue encouraging both parties to return to meaningful negotiations. On the same date, the Russian Federation hosted representatives of Palestinian factions in Moscow and stressed the need to overcome divisions so as to create the conditions for meaningful negotiations. On 29 March in Jordan, Arab leaders committed to relaunching peace negotiations and reaffirmed their commitment to the 2002 Arab Peace Initiative. The new United States administration has also focused on efforts to restart negotiations and advance peace.

10. The situation on the ground was characterized by continued tensions, with spikes of violence and a sharp rise in settlement activity in the occupied West Bank, including East Jerusalem. A polarized public discourse across the political spectrum in Israel and the occupied Palestinian territory continued. Tensions rose in East Jerusalem in July, after an attack in the Old City on 14 July, which left two Israeli police officers and their assailants dead. In response to the attack, Israel installed metal detectors and security cameras at the entrances to the Holy Esplanade, which was immediately condemned by Muslim religious authorities and the Palestinian leadership as unilateral actions violating the historical status quo in the holy sites. Despite international calls for calm, protests and violence erupted after Friday prayers on 21 July, with four Palestinian protesters dying as a result of the response of Israeli security forces. The same night, a Palestinian stabbed to death three members of an Israeli family living in the Israeli settlement of Halamish. The situation eased after Israel withdrew the new security measures; Muslim religious authorities and the Palestinian leadership subsequently instructed worshippers to return to the Al-Aqsa Mosque for prayers.

11. In Gaza, a fragile ceasefire largely held but the situation remained volatile, owing mostly to worsening socioeconomic conditions, delays in reconstruction, continued restrictions on movement and the deepening political divide between the Palestinian Authority in the West Bank and the de facto authorities in Gaza.

12. Stabbings, vehicle attacks and shootings by Palestinians targeting Israelis and clashes between Palestinians and the Israeli security forces continued to claim lives. During the reporting period, a total of 73 Palestinians were killed, 38 of whom were perpetrators or alleged perpetrators of attacks, and more than 3,800 Palestinians were injured. Five Israeli civilians and 8 security forces personnel were killed, and at least 176 Israelis, civilians and security forces personnel were injured.

13. The level of force used in countering some of the violence remains a matter of concern. A number of Palestinian fatalities call into question the nature of the response of the Israeli security forces, including the apparent disproportionate use of lethal force. I once again call for necessary precautions to be taken when decisions to use force are made; in particular, live fire should be used only as a last resort, with any resulting death or injury properly investigated. Between October 2015 and March 2017, some 270 Palestinians were killed, nearly 180 of them while carrying out or allegedly carrying out attacks against Israelis. According to the Ministry of Justice, the Israel Defense Forces opened 24 investigations into suspected unlawful use of force, of which only 1 resulted in an 18-month sentence for manslaughter. It is the duty of Israel to ensure a prompt and independent investigation into incidents in which the use of force has resulted in death or injury, and to ensure accountability where there is evidence of wrongdoing.

14. I reiterate the firm condemnation by the United Nations of all terrorist attacks. While the Security Council, in resolution 2334 (2016), called upon both parties to refrain from provocative actions, incitement and inflammatory rhetoric, such actions continued. Official media and social media outlets affiliated with Fatah continued to

praise perpetrators of past terrorist attacks against Israeli civilians, while Hamas leaders continued their unacceptable practice of celebrating recent attacks against Israeli civilians as "heroic". Israeli officials have also employed provocative rhetoric and promoted legislation that has the potential to inflame tensions on the ground. Leaders on all sides must stop incitement and consistently and unequivocally stand against acts of terror and violence in all its forms.

15. Throughout the reporting period, the Israel Defense Forces continued to conduct search and arrest operations, while the Palestinian Authority continued to arrest suspected Hamas affiliates in the West Bank. At the end of July, 850 Palestinians were held by Israeli authorities under administrative detention, compared with 700 at the beginning of the reporting period. I am especially concerned about the continued reports of detainees on hunger strikes. On 17 April, an estimated 1,500 Palestinian prisoners and detainees started a hunger strike to protest their conditions in Israeli prisons. Their fast lasted until the start of Ramadan, when some of their requests were met. I reiterate my call to end the practice of administrative detention and to either charge all detainees or immediately release them.

16. At the end of May, Israel held 331 Palestinian children in detention on security grounds. This is down from a peak of 444 cases in March 2016, but double the numbers recorded in May 2015, when 163 children were held in Israeli prisons. All children should be treated with due consideration to their age and may be detained only in situations that are justified under international humanitarian law or applicable human rights norms.

17. After a three-year decline in incidents of settler violence, there has been a noticeable increase in 2017. According to the Office for the Coordination of Humanitarian Affairs, 124 such incidents have been documented, resulting in the deaths of 4 Palestinians[1] and the injury of 69, as well as property damage.

18. In resolution 2334 (2016), the Security Council calls on Israel to take steps to cease all settlement activities in the occupied Palestinian territory, including East Jerusalem. Instead, settlement activities have risen sharply. During the reporting period, and particularly after the adoption of the resolution, Israeli authorities announced tenders for the construction of some 3,000 housing units in the occupied Palestinian territory, including East Jerusalem. In addition, since the beginning of 2017 the Government has approved the advancement of plans for the construction of more than 7,000 units in West Bank settlements. On 1 February, the Government announced its intention to establish a new settlement for the residents of the illegal Amona outpost, following its demolition by order of the Supreme Court of Israel. In late March, the Government declared 241 acres in the West Bank as "State land".

19. On 6 February, the Israeli Parliament approved the so-called Regularization Law, which, if implemented, would permit houses that had been built in settlements on land privately owned by Palestinians to remain in place, while offering the landowners only a choice between compensation through payment and compensation in the form of alternative land. The legal framework created by the law is estimated to have the potential to retroactively "regularize" thousands of housing units and remove significant legal obstacles to the "legalization" of dozens of settlement outposts currently considered illegal by the Government of Israel. The law marks the first time that the Knesset has extended its jurisdiction to matters concerning property of Palestinians living in the West Bank, reflecting a significant shift in the long-standing government position concerning the legal status of the

[1] Two were persons shot by settlers during alleged stabbing and ramming attacks.

territory and the applicability of Israeli law therein. It contravenes international law and, according to the Attorney General of Israel, is unconstitutional.

20. The continued settlement plans, new legislation, retroactive legalizations and official statements signal that the strategic settlement enterprise of Israel continues to expand. In the first seven months of 2017, the number of plans advanced was already 60 per cent higher than the number for all of 2016, with the number of tenders eight times the annual total for that year. Such activities undermine the chances for the establishment of a viable, contiguous Palestinian State as part of a two-State solution. I reiterate that settlements are illegal under international law and an obstacle to peace, and undermine the two-State solution.

21. Demolitions of Palestinian homes in Area C of the occupied West Bank continued, with a significant decline having occurred since February 2017. During the reporting period, 388 structures were demolished, leading to the displacement of some 462 Palestinians, half of them children. In addition, the loss of water wells, solar panels and animal shelters has had an impact on the livelihoods of more than 5,500 people. The Bedouin community in particular is paying a heavy price, with some facing even an imminent threat of being forced to relocate. Unlike in Area C, demolitions in East Jerusalem continued at a fast pace throughout the reporting period, with 155 structures demolished and nearly 300 people displaced as a result. Palestinians require access to a fair planning and zoning regime, so that they do not resort to the building of unauthorized structures that lead to unjustified demolitions, which often have an impact on the most vulnerable people. Demolitions and forcible evictions, carried out when there is no military necessity, contravene international humanitarian law and international human rights law.

22. Also of concern are the continued punitive demolitions of the family homes of Palestinian perpetrators or alleged perpetrators of attacks against Israelis. The United Nations High Commissioner for Human Rights has previously reported that punitive home demolitions have an impact on the entire family, constitute a form of collective penalty in breach of article 33 of the Geneva Convention relative to the Protection of Civilian Persons in Time of War and breach the obligation of Israel to ensure Palestinians' rights to adequate housing and to freedom from arbitrary or unlawful interference with privacy, family or home, and other relevant norms. As an Israeli military committee concluded in 2005, such demolitions are unproven as a deterrent and fuel tension by exacerbating feelings of injustice and hatred.

23. Palestinians continued to advance their State-building programme, although it was limited to the territory under the control of the Palestinian Authority, which excludes Area C, East Jerusalem and Gaza. Despite the progress made in building the governance capacities of the Palestinian Authority, the Ad Hoc Liaison Committee for the Coordination of the International Assistance to Palestinians remains concerned about its fiscal and economic viability. At its meeting held in Brussels on 4 May, the Committee discussed the key socioeconomic challenges faced by the Palestinian Authority. Regrettably, a number of issues remained unresolved between the parties, including those relating to access and movement, energy, water and fiscal sustainability.

24. I am encouraged that the Israeli and Palestinian Ministers of Finance have since come together to move a number of issues forward, and that they have made progress in discussions on value-added tax clearance revenues. In early June, in accordance with the electricity agreement signed in September 2016, Israel transferred $30 million to the Palestinian Authority in lieu of equalization levies and health stamps and agreed to conduct monthly transfers in the future. The meeting of the Israeli-Palestinian Joint Water Committee held in May (the first such meeting in seven years) and the 13 July agreement for an increase in water supply for

Palestinians in the West Bank and Gaza are positive steps that need to be supported. The signing on 10 July of an interim power-purchasing agreement, which will allow for the first Palestinian-owned and -operated substation in Jenin, is also encouraging.

25. The Middle East Quartet has consistently called on Israel to implement positive and significant policy shifts, particularly in Area C, consistent with the transition to greater Palestinian civil authority contemplated by prior agreements. In May, Israel announced measures designed to help the Palestinian economy in the West Bank, including the proposed reprioritization of the enforcement of zoning laws in parts of Area C adjacent to several Palestinian cities potentially allowing for their residential, industrial and agricultural use; the development of industrial zones in Tarkumiya and Hebron; and the expansion of the hours of operation of the Allenby Bridge crossing into Jordan. I strongly encourage Israel to continue to implement measures of this nature, in order to facilitate sustainable growth and job creation for the Palestinian economy.

26. In February, the Palestinian Authority took a significant step towards strengthening its institutions and improving governance, by finalizing the Palestinian National Policy Agenda: National Priorities, Policies and Policy Interventions (2017-2022), which reiterates its commitment to State-building and guaranteeing the rule of law. In January, the Palestinian Authority approved its general budget for 2017 and, owing to the strong fiscal performance in the previous year, was able to reduce its budget deficit to approximately $580 million. Continued fiscal discipline and a push for revenue growth will be essential, as economic and financial conditions are likely to remain restrictive, in particular given the continued trend of decreasing international support.

27. On 13 May, the Government of the State of Palestine held municipal elections, albeit only in the West Bank. Local elections, if held simultaneously in both Gaza and the West Bank and conducted in line with international standards, can contribute to the advancement of Palestinian reconciliation. Gaza and the West Bank should be reunified under a single, legitimate and democratic Palestinian Authority on the basis of the principles of the Palestine Liberation Organization and the rule of law, in accordance with existing agreements.

28. In Gaza, the humanitarian situation remains dire. Three years after the latest round of hostilities, approximately 25,500 people remain internally displaced and 47 per cent of households are food-insecure or vulnerable to food insecurity. The chronic energy shortage and water deficiencies became even more acute during the reporting period. Movement in and out of Gaza remains extremely limited for its residents, a reality that is particularly harmful to those seeking medical treatment. These conditions exacerbate record-high unemployment rates and chronic aid dependency. In a report released on 11 July, the United Nations country team underscored that most of the projections for 2020 made in an earlier report in which Gaza had been deemed unlivable had come to pass, with conditions deteriorating even further and faster than anticipated.

29. In March, as a result of an internal vote, Hamas elected a new leadership and formed an administrative committee, which was seen by many as a direct challenge to the legitimate Palestinian Government of national consensus. In response, the Palestinian Authority reduced payments to thousands of its employees in the Gaza Strip in April and decided to cap its purchase of electricity from Israel for Gaza, leading Israel to reduce the supply of electricity that it provides to the Strip by some 30 per cent as from 22 June. This cut came in addition to the earlier temporary shutdown of the Gaza power plant, which supplies another 30 per cent of the electricity for Gaza, due to a dispute between the Palestinian Authority and Hamas over the taxation of fuel.

30. At the time of reporting, electricity was unavailable for an average of 20 hours daily in Gaza. Hospitals were forced to postpone elective surgeries and to reduce cleaning, catering and sterilization services by 80 per cent. Desalination plants were functioning at 15 per cent of capacity, and the majority of Palestinians in Gaza received water for only a few hours every three to four days. As much as 100,000 cubic metres of raw sewage was discharged into the Mediterranean Sea on a daily basis. As at 21 June, Egypt had facilitated the entry of fuel that allowed the Gaza power plant to be brought back into use. I welcome the support provided by Egypt to the people of Gaza at a moment of need. In addition, the United Nations is providing nearly 900,000 litres of emergency fuel per month for critical health, water and waste management infrastructure. These measures provide a temporary lifeline to the residents of Gaza, but they are not sustainable solutions. The parties must come to a sustainable agreement, or the population of Gaza will continue to suffer.

31. I also welcome the decision by Egypt to open the Rafah crossing for travellers on 43 occasions and its ongoing steps to facilitate more frequent and predictable openings of the crossing, while respecting the legitimate security concerns of Egypt with regard to the Sinai Peninsula.

32. Despite persistent security and governance challenges and funding shortages, the reconstruction process in Gaza has continued. Three years after the escalation of hostilities, almost all damaged or destroyed schools, hospitals and water and energy facilities have been or are being repaired or rebuilt. While significant progress has also been made on housing, nearly 3,800 totally destroyed homes and more than 57,000 damaged homes have yet to be reconstructed or repaired. Complete reconstruction is within sight but requires that donors fulfil their funding commitments. A large funding gap with respect to the rehabilitation of productive sectors in Gaza also inhibits recovery, and I strongly encourage all Member States to fulfil their commitments to support the reconstruction and development of Gaza. The temporary Gaza Reconstruction Mechanism has allowed much of this reconstruction to take place. I reiterate that the Mechanism was designed as a temporary measure and that the ultimate objective of the United Nations in Gaza continues to be the lifting of all closures within the framework of Security Council resolution 1860 (2009) and in a manner that addresses the legitimate security concerns of Israel.

33. The 2017 Humanitarian Response Plan, which is aimed at addressing the humanitarian needs of 2 million Palestinians in Gaza and the West Bank, requests $552 million. This represents a 3 per cent reduction compared with 2016, but remains elevated owing largely to the significant humanitarian needs in Gaza. In July, the humanitarian country team issued a new $25 million appeal in response to the energy crisis. The appeal highlights key unfunded projects, along with a few new interventions that have been added to address the changing humanitarian context. I strongly encourage all Member States that have not done so to fulfil their commitments without delay.

34. I remain concerned that limited crossing capacity and a range of other restrictions, along with a lack of Palestinian unity, mean that significant improvement in the humanitarian situation and overall economy of Gaza remains unlikely. In that context, the risk of violent escalation remains ever present in Gaza as underlying causes of previous conflicts remain unaddressed. The effects of these persistent pressures on security continue to be felt. As at 23 August, Palestinian militants in Gaza had fired a total of 23 rockets at Israel, 14 of which had impacted Israel, none of them causing injuries. The Israel Defense Forces had reportedly responded with a total of 27 air strikes in Gaza, causing injuries to three Palestinians. I call on all Palestinian factions to ensure respect for international law

and not to engage in activities that risk destabilizing the situation and the reconstruction process. Similarly, I call on Israel to ensure that any military actions comply with the principles of distinction, proportionality and military necessity.

35. Lasting progress in Gaza can be realized only on the basis of Palestinian unity, an end to the illicit arms build-up and militant activities, and a full lifting of movement and access restrictions in line with Security Council resolution 1860 (2009).

36. I remain worried about the state of human rights and freedoms in Gaza. Of particular concern are reports of arbitrary detention and ill-treatment in detention centres. On 3 April and 3 May, Hamas carried out six executions of Palestinians, bringing to 28 the number of death sentences carried out since its takeover in 2007. I condemned those actions and remain deeply concerned that further executions are anticipated. I call on the de facto authorities to refrain from carrying out further executions. I also urge the Palestinian Authority to fulfil its responsibilities with full respect for international human rights law.

37. The Palestinian Government of national consensus must be empowered and enabled to assume its rightful responsibilities in Gaza, including in particular at the crossings with Israel and Egypt. I strongly urge Palestinian factions to advance genuine Palestinian unity on the basis of democracy and the Palestinian Liberation Organization and Quartet principles. Genuine unity will also improve the ability of the Palestinian Government to meet the pressing economic problems that are adding to the frustration and anger of Palestinians. The United Nations stands ready to support all efforts in that direction.

38. I remain seriously concerned about the lack of political progress and the high risk of further violence and radicalization. The 50-year anniversary of the 1967 Arab-Israeli war and the occupation of the Palestinian territory is a stark reminder: for too long, leaders on both sides have failed to take the difficult steps needed for peace. There is no alternative to the two-State solution for the Palestinian-Israeli conflict. The proponents of the status quo and the critics of the two-State solution offer no viable alternative that meets the legitimate aspirations of both Israelis and Palestinians.

39. The report of the Middle East Quartet and Security Council resolutions have clearly outlined what is needed for the advancement of a sustainable and just peace. Israel can take the necessary steps to stop settlement expansion and construction in order to preserve this prospect, while the Palestinian leadership can demonstrate its commitment to tackling the challenges of violence and incitement on its side. This will create an environment that will facilitate bilateral final status negotiations that the international community can support. We remain resolute in our commitment to help Palestinians and Israelis overcome these challenges.

40. I would like to express my deep appreciation to the United Nations Special Coordinator for the Middle East Peace Process, Nickolay Mladenov, for his outstanding service in what remains a challenging context. I am also most grateful to the Commissioner General of UNRWA, Pierre Krähenbühl, for his unwavering commitment and the remarkable work carried out by his staff for Palestinian refugees. In addition, I pay tribute to all staff who work under difficult, and at times dangerous, circumstances in the service of the United Nations.

41. I will continue to ensure that the United Nations works towards the establishment of an independent, democratic, contiguous and viable Palestinian State living side by side in peace with a secure Israel in the framework of a comprehensive regional settlement consistent with Security Council resolutions 242 (1967), 338 (1973), 1397 (2002), 1515 (2003), 1860 (2009) and 2334 (2016) and in accordance with the Quartet road map, the Arab Peace Initiative, the Quartet report and the principle of land for peace.